

Brazil's Paper and Pulp Maker Aracruz Grows with Asia Help

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Aracruz Celulose began a plan for modernization of their unit in the city of Guaíba, in the southern Brazilian state of Rio Grande do Sul.

State governor Germano Rigotto accompanied the inauguration of the works, Thursday, January 12. The company is going to begin another business in the country, in which they will invest US\$ 1.2 billion, and the state is among the candidates that may receive the company.

Expansion of the Guaíba plant is going to make it possible to increase production from 400,000 tons of bleached eucalyptus pulp a year to 430,000 tons.

Investment has totaled 150 million reais (around US\$ 66 million), of which 100 million reais (US\$ 44 million) are turned to the industrial process and 50 million reais (US\$ 22 million) to the forestry area. This information was disclosed by a spokesperson for the government of the state of Rio Grande do Sul.

The Guaíba factory has 90% of operations turned to the production of pulp and just 10% to the production of paper. The main buyers of company pulp are in Asian countries like China, Japan and Indonesia.

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